

Service Date: November 28, 2006

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application)	UTILITY DIVISION
of MDU RESOURCES GROUP, INC. for)	
Authorization to Issue up to \$150,000,000)	DOCKET NO. D2006.11.165
of Promissory Notes and/or Commercial)	
Paper)	ORDER NO. 6788

DEFAULT ORDER

On November 13, 2006, MDU Resources Group, Inc. ("MDU"), filed an application with the Montana Public Service Commission ("Commission") seeking authority to issue short-term securities in the form of unsecured promissory notes and/or commercial paper, provided that the principal amount of outstanding indebtedness shall not exceed \$150,000,000 at any one time. The application was filed pursuant to Title 69, Chapter 3, Part 5, MCA.

The application was supported by exhibits and data in accordance with the rules and regulations of the Commission governing the authorization of issuance of securities by electric and gas utility companies operating within Montana. For detailed information with respect to the general character of MDU's business and the territory served by it, reference is made to its annual report on file with the Commission.

At a regular open session of the Montana Public Service Commission, held at its offices on November 28, 2006, there came before the Commission for final action the matters in this Docket, and the Commission, having fully considered the application and data and records pertaining thereto on file with the Commission and being fully advised in the premises, makes the following:

FINDINGS OF FACT

1. MDU is a corporation organized and existing under and by virtue of the laws of the State of Delaware and is qualified to transact business in the State of Montana.

2. MDU is operating as a public utility as defined in 69-3-101 and 69-3-102, MCA, and as such is engaged in furnishing electric and gas service in Montana.

3. The Commission has jurisdiction over the subject matter of said application under Title 69, Chapter 3, Part 5, MCA.

4. The principal amount of short-term securities proposed to be issued and outstanding at any one time shall not exceed \$150,000,000. The short-term securities will be issued in the form of unsecured promissory notes representing bank borrowings and/or in the form of unsecured commercial paper.

5. MDU will use the proceeds from the issuance of said short-term securities for funding MDU's capital requirements, for the refunding of its outstanding obligations, for corporate development purposes, and for other general corporate purposes.

6. The transactions proposed by MDU (a) are consistent with the public interest; (b) are for a purpose or purposes permitted under the laws of the State of Montana; (c) are necessary or appropriate for and consistent with the proper performance by MDU of service as a public utility; and (d) will not result in a situation in which the aggregate amount of the securities outstanding and proposed herein to be outstanding will exceed the fair value of the properties and business of MDU.

CONCLUSIONS OF LAW

The securities transactions proposed by MDU, as herein authorized, will be for a lawful purpose and are consistent with the public interest; the same are appropriate and consistent with the necessary performance of MDU of service as a public utility; and the aggregate amount of securities

outstanding and proposed to be outstanding will not exceed the fair value of the properties and business of MDU.

ORDER

IT IS HEREBY ORDERED by the Commission:

1. The application of MDU Resources Group, Inc. for authority to issue short-term securities in the form of unsecured promissory notes and/or commercial paper, provided that the principal amount of outstanding indebtedness shall not exceed \$150,000,000 at any one time, is hereby approved and authority is granted. This authorization is effective for the two-year period from January 1, 2007 to December 31, 2008.

2. Neither the issuance of securities by MDU pursuant to the provision of this Order nor any other act or deed done or performed in connection therewith, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any securities authorized, issued, assumed or guaranteed hereunder.

3. The approval of this application shall not be construed as precedent to prejudice any future action of this Commission.

4. Issuance of the order does not constitute acceptance of MDU's exhibits or other material accompanying the application for any purpose other than the issuance of this Order. Approval of this application is for financing purposes only. This approval is without prejudice to the regulatory authority of this Commission with respect to ratemaking, rates, service, accounts, valuations, estimates, or determinations of cost, or any other matter subject to its jurisdiction as provided by law.

DONE IN OPEN SESSION at Helena, Montana, this 28th day of November, 2006, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GREG JERGESON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806